

## 2<sup>nd</sup> SURVEILLANCE CREDIT RATING REPORT CITY BUILDERS

Ref. no.: FR/2023/29749



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	13 February 2023	27 February 2024

\*WCRSE 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093

Bank Name	Investment Mode	Limit Amount	Outstanding Amount	Outstanding Date
Mercantile Bank Limited	CC (Hypo.)	27.50	21.70	29.12.2022

Tk. in Million

**Financial Based on-** Un-audited financial statements up to 30<sup>th</sup> June 2022.

**Methodology:** SME rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

### Key Snapshot:

Particulars	FY22	FY21
Revenue	233.11	206.29
EBIT	24.90	22.64
Net Profit	21.75	19.72
Total Assets	106.89	46.53
Total Equity	82.76	69.69
Debt	24.13	30.45
Net Profit Margin (%)	9.3	9.6
CCC (Days)	65	70
ICR (X)	7.91	7.76

Tk. in Million

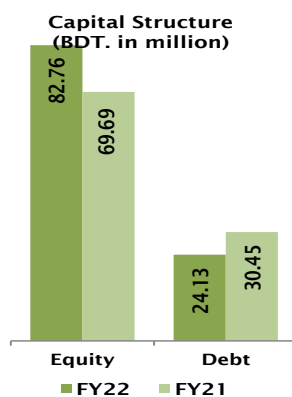
### RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating to City Builders (hereinafter referred to as 'CB' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on overall good profitability ratios, low levered enterprise, good interest coverage position, good security arrangement and regular loan repayment history. However, the above factors are constrained to some extent by tight liquidity position and insufficient disclosure in the financial statements.

The SME rating implies that the enterprise is adjudged above average level of credit worthiness in relation to other small enterprises.

WCRCL also viewed the enterprise with "Stable" outlook and believes that CB will be able to maintain its good fundamentals in the foreseeable future.



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